

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

OMB-01 PA-02 PRS-01 ARAE-00 /063 W

-----172134Z 091855 /73

P 172010Z MAR 77

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC PRIORITY 0618

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

UNCLAS BRASILIA 2119

E.O. 11652: N/A

TAGS: EFIN, ECON, BR

SUBJECT: INFLATION IN FEBRUARY

1. ACCORDING TO FINAL DATA PUBLISHED BY THE VARGAS FOUNDATION, INFLATION IN FEBRUARY, MEASURED BY THE GENERAL PRICE INDEX (INTERNAL SUPPLY)-- WAS 3.2 PERCENT BRINGING THE CUMULATIVE RATE FOR THE FIRST TWO MONTHS TO 7.0 PERCENT. DURING THE COMPARABLE PERIOD LAST YEAR, INFLATION AMOUNTED TO 7.4 PERCENT. THE CHANGES IN THE RIO DE JANEIRO COST-OF-LIVING INDEX AND THE WHOLESALE PRICE INDEX DURING THE JAN/FEB PERIOD WERE AS FOLLOWS (COMPARED TO 1976):

	1977	1976
	(PERCENTAGE CHANGE)	
COST-OF-LIVING	8.4	9.6
WHOLESALE (INTERNAL SUPPLY)	6.0	6.4

2. COMMENT: ALTHOUGH THE INFLATION RATE CAME DOWN A BIT IN FEBRUARY FROM THE JANUARY LEVEL, THE GOB CONSIDERS THE CURRENT RATE AS STILL TOO HIGH. IN A RECENT PUBLIC
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PRONOUNCEMENT ON THE ECONOMIC ACHIEVEMENTS OF THE THREE YEARS OF THE GEISEL GOVERNMENT, FINANCE MINISTER SIMONSEN SAID THAT INFLATION HAD BECOME THE COUNTRY'S NUMBER ONE ECONOMIC PROBLEM AND THAT ITS CONTAINMENT AND REDUCTION WOULD BE THE MAIN PREOCCUPATION OF ECONOMIC MANAGERS DURING 1977.

CRIMMINS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFLATION, ECONOMIC TRENDS
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRASIL02119
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770092-0287
Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770351/aaaabrwk.tel
Line Count: 63
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Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
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Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
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Review Content Flags:
Review Date: 12-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 3083602
Secure: OPEN
Status: NATIVE
Subject: INFLATION IN FEBRUARY
TAGS: EFIN, ECON, BR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/9cb109b7-c288-dd11-92da-001cc4696bcc
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